



SHORT-TERM ACCOMMODATION LETTING IN CAPE TOWN

Cape Town is a prime tourist destination. Visitors contribute to the local economy and this in turn assists us with job creation.

Apart from hotels, boarding houses and formalised tourist accommodation facilities (like resorts), opportunities for Cape Town residents themselves to provide short-term accommodation letting in their own homes as guesthouses and Bed & Breakfast (B&B's) establishments is generally through:

- accommodation agencies
- listing properties on web-based platforms such as Airbnb

On 24 October 2017, listing company Airbnb published statistics which confirmed that Cape Town is the most popular city in Africa. Up to 17 600 listings generated \$55 million (approximately R782 million) in the past year. This equates to nearly 290 000 visitors which resulted in an estimated boost of R2,4 billion for Cape Town.

Last month the City of Cape Town was the first in Africa to sign a collaboration agreement with Airbnb, committing to working together to promote the benefits of people-to-people tourism for Cape Town residents and their communities, and to promote Cape Town as a unique travel destination.

GUIDELINE FOR SHORT-TERM ACCOMMODATION LETTING

Given the growth in demand for short-term accommodation letting, the City has prepared this guideline for residents who want to make their properties available to visitors on a short-term basis.

Some property owners in Cape Town currently offer short-term accommodation letting by either letting a room or rooms, or an entire house or flat to visitors and tourists.

Property owners must ensure that they comply with the City of Cape Town's municipal laws and regulations before listing a property for short-term accommodation letting on Airbnb or any other platform that advertises their services.

WHAT IS SHORT-TERM LETTING?

- Letting a room, rooms, or a whole property - be it a house, group house or flat-to a transient guest in return for payment, who has a permanent residence elsewhere.
- This includes a guesthouse or B&B in a house.

OTHER ACCOMMODATION LETTING

- Accommodation letting is to allow someone to live in a room or rooms or an entire house, group house or flat.
- Examples include students registered at an educational institution, workers on contract, someone waiting to acquire permanent accommodation in the city, and property owners who need alternative accommodation whilst repairs or renovations are being carried out to their own property.

SHORT-TERM ACCOMMODATION LETTING MUST COMPLY WITH THE MUNICIPAL PLANNING BY-LAW

- The City's Municipal Planning By-law determines what land may be used for - be it for housing, business, commercial, or industrial purposes.
- The Development Management Scheme (DMS) forms part of the Municipal Planning By-law.
- The DMS regulates and controls the zoning and the usage rights of land.
- The DMS places limitations on how a house, group house, or flat can be used to generate an income from short-term accommodation letting to paying visitors, tourists, and guests.

SHORT-TERM ACCOMMODATION LETTING MUST COMPLY WITH OTHER RULES

Property owners must find out whether:

- There are any restrictive provisions in their title deeds.
- The rules of the body corporate and homeowner associations allow for short-term accommodation letting - these associations have their own rules for those who own properties in a block of flats, or residential complexes.



- Permission from the body corporate or homeowner associations is required prior to making their properties available for short-term accommodation letting.

HOUSE

A house is a building containing a series of rooms used for the living of a family. A second dwelling is an additional house that may be permitted on a property in certain zones.

The owner of a house may use it as a Bed & Breakfast establishment, but within the following rules:

- No more than 3 rooms shall be used for bedroom accommodation for paying guests or lodgers, and no more than 6 paying guests or lodgers shall be supplied with lodging or meals at any time.
- No alcoholic beverages shall be sold except to resident guests for consumption on the premises with meals.

- Guest rooms shall not be converted to, or used as, separate self-catering units with kitchens.
- Meals may only be supplied to guests or lodgers who have lodging on the property, employees, and the family residing in the dwelling.
- Weddings, receptions, conferences, training or any similar activities are not permitted from a Bed & Breakfast establishment.
- No activities shall be carried out which constitute, or are likely to constitute, a source of public nuisance.
- On-site parking to be provided in accordance with the provisions of the DMS. (This is usually one additional bay per bedroom).

A house can be used as a guesthouse

- If the activity does not comply with the above restrictions of a B&B, then permission may be required to use a house as a guest house depending on the zoning of the property.

- A guesthouse is defined as a house which is used for the purpose of supplying lodging and meals to guests for compensation, but where the scope (activities or number of rented rooms) exceed the restrictions of a B&B.

GROUP HOUSE

A group house is part of a group scheme of linked dwelling units (or complex) that are planned, designed and built as a harmonious architectural entity.

- A group house cannot be used as a guesthouse.
- A group house cannot be used as a Bed & Breakfast establishment.
- Owners wanting to do short-term letting must first apply to the City for permission to do so.

FLAT

A flat is an accommodation unit in a group of flats on the same erf.

- A flat/group of flats cannot be used for guesthouse purposes.
- A flat/group of flats cannot be used as a B&B establishment.

- Owners wanting to do short-term letting must first apply to the City for permission to do so.

HOW TO APPLY FOR PERMISSION FROM THE CITY FOR SHORT-TERM ACCOMMODATION LETTING

- Approach one of the City's district planning offices.
- Request a pre-application consultation with a land use planner.
- The land use planner will provide clarity about which land uses are currently allowed on a property and what type of application can be made to permit short-term accommodation letting, or for running a B&B, or guesthouse.

HOW TO REPORT ALLEGED UNAUTHORISED ACTIVITIES

- For further information please call the Transport and Urban Development Contact Centre on **0800 65 64 63**
- Note that the City will only respond to written complaints. Send an email to info.tda@capetown.gov.za
- Visit www.tda.gov.za for more details.